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United Nations common system

Administrative and financial implications of the decisions and recommendations contained in the report of the International Civil Service Commission for 2008

Report of the Advisory Committee on Administrative and Budgetary Questions

I. Introduction

1. The Advisory Committee on Administrative and Budgetary Questions has considered the statement submitted by the Secretary-General (A/63/360) on the administrative and financial implications for the biennium 2008-2009 of the decisions and recommendations of the International Civil Service Commission on the common system, as contained in the report of the Commission to the General Assembly for 2008.

2. As in the past, the Advisory Committee has confined its consideration of the financial implications of recommendations contained in the report of the Commission to those submitted to the General Assembly by the Secretary-General in his statement. The Advisory Committee has not commented on the recommendations themselves or on their underlying methodology.

3. As indicated in the Secretary-General's statement, the report of the Commission contains decisions and recommendations with financial implications for the organizations of the United Nations system related to the following issues:

(a) Conditions of service of staff in the Professional and higher categories:

(i) Base/floor salary scale;

(ii) Mobility and hardship allowance;

(iii) Dependency allowances;

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(b) Conditions of service applicable to staff in the General Service and related categories:

(i) Survey of best prevailing conditions of employment in Geneva;

(ii) Survey of best prevailing conditions of employment in Vienna;

(c) Conditions of service applicable to all categories of staff:

(i) Level of education grant;

(ii) Hazard pay for internationally recruited staff.

II. Conditions of service of staff in the Professional and higher categories

4. As indicated in paragraph 3 of the Secretary-General's statement, the cumulative movement of the United States federal civil service net salaries in Washington, D.C., the current comparator, increased by 2.33 per cent as from 1 January 2008. As a result, the comparator's reference salary (GS-13/GS-14) was 2.33 per cent higher than the net salary of a P-4/VI in the current United Nations base/floor salary scale. In accordance with the approved procedures and past practices, this would call for an upward adjustment of 2.33 per cent in the common system salary scale for staff in the Professional and higher categories, as from 1 January 2009. The increase in the base/floor salary scale would be implemented through the standard method of consolidating post adjustment multiplier points into base/floor salary, namely, by increasing base salary while commensurately reducing post adjustment levels. According to the Secretary-General, the financial implications of the above recommendation amount to $183,800 for the United Nations programme budget for 2009.

5. With regard to mobility and hardship allowance, the Advisory Committee notes that, in accordance with the decisions of the Commission, as approved by the General Assembly in its resolution 61/239, the amounts payable under the new mobility and hardship scheme that came into effect on 1 January 2007 are to be reviewed every three years. According to the Secretary-General, as the amounts were originally set in 2005 with the expectation that they would come into effect on 1 January 2006, any revised amounts would need to come into effect on 1 January 2009. The Secretary-General estimates the financial implications of the Commission's recommendation for the United Nations programme budget for 2009 at $959,400.

6. The Advisory Committee notes that the Commission decided to recommend to the General Assembly that, effective 1 January 2009: (a) the children's allowance should be set as a global flat-rate amount of $2,686 per annum and the disabled children's allowance should be double that amount, $5,372 per annum; (b) the secondary dependant's allowance should be set at $940 per annum; (c) at hard currency locations, the United States dollar amount of the allowance should be converted to local currency, using the official United Nations rate of exchange as at the date of promulgation, and should remain unchanged until the next biennial review; (d) the dependency allowances should be reduced by the amount of any direct payments received by staff from a Government in respect of dependants. The Secretary-General estimates the financial implications of the Commission's recommendation for the United Nations programme budget for 2009 at $1,122,500.

III. Conditions of service of staff in the General Service and related categories

7. The Advisory Committee notes that in February 2008 the Commission completed and approved the results of the survey of best prevailing conditions of employment in Geneva, with March 2007 as the reference month. As the recommended salary scale was 1.81 per cent lower than the scale in effect in March 2007, there are no financial implications related to its implementation. However, the financial implications related to the revision of the rates of dependency allowances are estimated by the Secretary-General at $36,800 for the United Nations programme budget for the biennium 2008-2009.

8. The Advisory Committee also observes that the Commission conducted a survey of best prevailing conditions of employment for the General Service staff in Vienna, with November 2007 as the reference month. As the recommended salary scale is 1.57 per cent lower than the scale in effect in November 2007, there are no financial implications related to its implementation. However, the financial implications related to the revision of the rates of dependency allowances are estimated by the Secretary-General at $13,500 for the United Nations programme budget for the biennium 2008-2009.

IV. Conditions of service applicable to all categories of staff

9. The Secretary-General reports that the financial implications of the recommendations of the Commission on the level of the education grant for the United Nations programme budget for 2009 are estimated at $514,300. The Commission's recommendations on the level of the education grant are contained in paragraph 62 of the report of the Commission for 2008.

10. The Secretary-General reports that the financial implications of the recommendation of the Commission for a 5 per cent increase in the level of hazard pay for international staff, effective 1 January 2009, are estimated at $783,900 for the United Nations programme budget for 2009. Upon enquiry, the Advisory Committee was informed that, on the recommendation of the Department of Safety and Security, duty stations eligible for hazard pay are designated by the Chairman of the Commission on authority delegated to him by the Commission.

11. The Advisory Committee was also informed that hazard pay is authorized for a limited period, normally up to three months at a time, subject to ongoing review, and is lifted when hazardous conditions are deemed to have abated. Both internationally recruited staff and locally recruited staff are eligible to receive hazard pay; however, locally recruited staff may receive hazard pay only for those days they are required to report to work and actually do so. Internationally recruited staff receive hazard pay as decided and adjusted by the Commission and reported to the General Assembly. Locally recruited staff receive hazard pay, which is set at 25 per cent of one twelfth of the midpoint of the pertinent local General Service annual salary scale and is therefore adjusted when this salary scale is adjusted.

V. Conclusion

12. The financial implications for the United Nations programme budget for the biennium 2008-2009 resulting from decisions and recommendations of the Commission are estimated by the Secretary-General at $3,614,200. He indicates that those requirements will be taken into consideration in the preparation of the first performance report of the programme budget for the biennium 2008-2009, in accordance with existing practice. **The Advisory Committee has no objection to the Secretary-General's approach.**